

Specialized Investment Funds (« SIF »), law of 13 February 2007

Legal form	Public limited liability company, Private limited liability company, Partnership limited by shares, Cooperative set up as a public limited company
Minimum share capital	EUR 1'250'000, which must be reached no later than 12 months following the CSSF authorisation
Qualifying investors	Well-informed investors : <ol style="list-style-type: none"> 1. Institutional investors 2. Professional investors 3. Any private investor who <ol style="list-style-type: none"> a. Has confirmed in writing that he adheres to the status of well-informed investors ; b. Invests a minimum of EUR 125'000 in the SIF ; c. Obtains an assessment made by a credit institution or an investment company, which certifies the investor's expertise, experience and knowledge in adequately assessing an investment in a SIF risk capital.
Eligible Investments	No restriction (any type of asset and any type of strategy possible) Compartment and shares classes allowed Risk spreading : maximum 30% in securities of the same kind and nature issued by the same investor
Authorization	Regulatory Body: Commission de Surveillance du Secteur Financier (CSSF) Application for authorisation within the month following the setting-up of the SIF Authorization granted based on the articles of association of the SIF and the offering documentation : <ul style="list-style-type: none"> ▪ Appointment of a depositary agent (credit institution with its registered office in Luxembourg) ▪ Appointment of a Luxembourg independent auditor ▪ Appointment of three directors (good repute and sufficient experience required) ▪ Description of the proposed investments and risk attached thereto ▪ No need to be set up by a financial promoter, no need to appoint an investment manager

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Reporting and publication	<ul style="list-style-type: none"> ▪ Issuance of (<u>one</u>) annual report (consequently: calculation of the NAV once a year) ▪ Within 6 months from the end of the financial year
Tax regime	<ol style="list-style-type: none"> 1. Capital duty: EUR 75.00- 2. Exemption from corporate income tax, municipal business tax and net wealth tax 3. Annual subscription tax: 0.01% per year on the total net asset valued at the end of each calendar quarter (+ some exemption, e.g. monetary assets / assets invested in other Luxembourg UCIs) 4. Management services supplied to the SIF are exempt from VAT 5. No withholding tax on dividend distribution, liquidation proceeds and interest payments made out of the SIF 6. No taxation of non resident investors if the shares (in case of a substantial shareholding, i.e. more than 10%) are held for more than 6 months. Double taxation Treaties however provide for relief in most cases 7. Corporate SIFs fall out of the scope of the EU Saving Directive, i.e. no EU WHT on interest payments made to non resident private investors 8. Resident investors: if non substantial shareholding, i.e. lower than 10%, and detention period of at least 6 months: capital gains and liquidation proceeds are exempt. Otherwise taxation at half of the global rate.
Home country taxation	Taxation rules applicable to the dividend income and capital gain derived from UCIs
Interest in the SIF	<ol style="list-style-type: none"> 1. Great flexibility in the investment policy 2. Regulated entity 3. Tax burden close to 0 during the investment period